

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

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MEMORANDUM

TO: Berkshire County Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: June 13, 2017

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 and January 1 of each fiscal year. The schedule is effective in FY18 (since the amount under the prior schedule was maintained in FY18) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.60% to 7.25%.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



Berkshire County Retirement System
January 1, 2017 Actuarial Valuation

Total Appropriation Increases 4.7% per year until FY27 with final amortization payment in FY28

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2002 ERI</u>	<u>Amort. of</u> <u>2003 ERI</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>% Increase</u> <u>Total Cost</u>
2018	4,090,726	250,000	4,858,970	64,642	35,661	9,300,000	46,088,001	
2019	4,274,809	250,000	5,114,888	64,642	35,661	9,740,000	44,201,992	4.7%
2020	4,467,175	250,000	5,382,521	64,642	35,661	10,200,000	41,909,494	4.7%
2021	4,668,198	250,000	5,661,498	64,642	35,661	10,680,000	39,168,687	4.7%
2022	4,878,267	250,000	5,951,430	64,642	35,661	11,180,000	35,935,113	4.7%
2023	5,097,789	250,000	6,362,211			11,710,000	32,161,498	4.7%
2024	5,327,190	250,000	6,682,810			12,260,000	27,787,033	4.7%
2025	5,566,913	250,000	7,023,087			12,840,000	22,757,487	4.7%
2026	5,817,424	250,000	7,372,576			13,440,000	17,004,625	4.7%
2027	6,079,208	250,000	7,740,792			14,070,000	10,466,298	4.7%
2028	6,352,773	250,000	3,119,443			9,722,216	3,065,819	-30.9%
2029	6,638,647	250,000				6,888,647	0	-29.1%

Appropriation payments assumed to be made on average on October 1 of each fiscal year

Normal cost assumed to increase 4.5% per year

Assumed expenses of \$850,000

FY18 amount maintained at level of prior funding schedule